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MARKETING STRATEGIES AND CUSTOMER'S PERCEPTIONS OF MODERN RETAIL UNITS IN THE KURNOOL DISTRICT OF ANDHRA PRADESH

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ABSTRACT:

Retailing in simple term can be defined as "Retailing is the business activity of selling goods and services to the final consumer". Retailing can be defined as the business products and services to consumers for their own use. It has its origin in the French word, retailer meaning 'to cut a piece off'. The term retailing applies not only to the selling of tangible products like loaves of bread or pairs of shoes but also to the selling of service products. Retailing, one of the largest sectors in the global economy, has become the most active and attractive sector of the last decade. This unit also addresses the question of how the Marketing Mix framework can be used to analyze the competitive standing of a retail business organization and how the outcome of this analysis can then be translated into practical tactics that capitalize on the organization's strengths. To build a competitive advantage that can be sustained, retailers need to pay special attention to aspects like price, location, merchandise, service, and communications. There are a number of retail marketing jobs out there, wherein one is not a sales executive, but one who creates and supervises sales strategies in the retail market. Customer perception is the opinions, feelings, and beliefs customers have about your brand. It plays an important role in building customer loyalty and retention as well as brand reputation and awareness. The word itself suggests the basic idea behind it. People are adapting to modern ways of living. For example, 24×7, if you see it is the modern form of retail as it is available to the customers whenever they are in need of it. The supermarkets try to cater to the various consumer needs at a reasonable price.

Key Words: Customer perception, Retailing, Modern retail units, Super markets.

INTRODUCTION:

Retailing comes at the end of the marketing distributive channel. The word 'retail' has been derived from the French word "retailer" and means 'to cut a piece' or 'to break bulk'. It covers all the activities involved in the sale of products and services. Retailing in India is the world's largest private sector contributing to 8% of the GDP and it employs one-sixth of the labor force. The estimated retail trade is expected to be 7 trillion US $.

Definition of Retailing: Retail management refers to the process that strives to make sure that consumers are satisfied with the products and services they buy and that retail establishments function well and continue to be profitable.

Definition of Customer perception: Customer perception is the opinions, feelings, and beliefs, customers have about your brand.

Definition of Modern retail: The word itself suggests the basic idea behind it. In modern retailing it is available 24×7 i.e. it is available to customers whenever they are in need of it. In modern retailing online payment is becoming so convenient and common among everyone which is why people prefer online shopping too. Since the coming of the pandemic people have preferred contactless shopping and are avoiding long queues. So in this situation, online shopping is a go-to. It is the safest option to go with. Especially when it comes to grocery shopping, people find this as the easiest route. go-to apps such as Amazon, Flipkart, BigBasket, Instamart, and Zepto are the best options for people who prefer online shopping. In retail shops, customers can get goods of all brands but in the absence of retail shops, customers have to buy directly from the factory outlet where goods of the same brand are only available. Changes in income structure, consumer tastes and preferences, and demographic and geographic profiles are some of the key factors that are driving growth in the Retail Business.

REVIEW OF LITERATURE:

Kalpana [1] found that the Indian retail sector is evolving rapidly. The size of India's retail industry is expected to more than double to $1.3 trillion by 2020. Further organized retail's penetration in India's total retail is on the increase. Recent policy changes and greater external liberalization of retail sector will bring many more foreign retailers to India. It is expected that FDI will accelerate the growth of organized retail. Organized retail whose share in total retail was 8% in 2012 is expected to assume a 24% share of the total retail market in India in 2020. Organized retail is expected to expand in specialty stores such as Consumer Electronics, Footwear, Furniture and Furnishing, etc. However, the requirement of 30% procurement may prove to be a major bottleneck for FDI in many of these segments. While Mexico and the Philippines were being touted as the next big markets for commencing retail ventures, India's policies regarding sourcing and investments have put a question mark on prospective investments.
Louise, Tobias, and Chris[2] explained that retailers shouldn't focus exclusively on the stores. The only way a store-network transformation will have the desired impact is if the online channel is at fighting strength.

A study was undertaken by Meena and Ramachandra[3] largely relying on secondary data, to identify key trends which in turn would provide critical insights to the academicians, researchers, and policymakers. The analysis was done for a review period from 2008-13 and forecast period from 2013-18. Key findings include robust growth in terms of number of outlets and turnover of both modern and traditional formats during review period. The study forecast a promising future for modern retailers than it is for the traditional players.
Walter [4] stated that 2015 holiday season has made the major shifts in consumer buying patterns very clear. The rise of Internet shopping and growth of off-price retailing were the megatrends in reshaping the retail industry.

Nadia [5] presented that Spain trailed behind more advanced European countries when it came to the emergence of modern retailing and its subsequent effect on urban life and consumer behavior.

Tiffany [6] explained that brick-and-mortar retail chains, known for sprawling stores that stock a bit of everything, are trying to lift sagging sales using a different strategy: cozier spaces that sell very little of anything. Showrooms a retail model popular with bridal designers, car dealers, and recently, online apparel start-ups are now inspiring mass-market heavyweights like Nordstrom and Urban Outfitters.

Farid and Adila[7] concluded that the modern market does not automatically become an obstacle to the growth of the traditional markets. The existence of traditional markets is still needed as a driver of the economic growth of a city or region.

Spencer and Diane [8]concluded that although the Amazon Effect has changed the course of retail leasing, other events over the years have disrupted retail markets: economic downturns, fads, and even inventory shortages.

Christopher[9] identified that with brick-and-mortar stores closing at record pace, retail in the U.S. feel like it's at a tipping point. Many of the stores that once filled the malls of America have become "zombies," while online retailers capture ever more of the most valuable consumers the young and affluent.

OBJECTIVES OF STUDY:

1.To study the socio-economic profile of modern retailers in the Kurnool district of Andhra Pradesh.
2.To enquire into merchandise philosophy and planning followed by modern retailers.
3.To study the marketing mix elements and their implementation in selected modern retail units in Kurnool district of Andhra Pradesh.
4.To evaluate the customer perception towards modern retail units.
5.To suggest strategies for handling competition faced by modern retailers.

HYPOTHESES OF THE STUDY:

Ho1: There is no significant relationship between category of business and respondents opinion on performance of modern retailers.
Ho2: There is no significant relationship between the evaluation of credit worthiness of the customer and the gender of the respondent.
Ho3: There is no significant association between the satisfaction of retailers with the existing product mix and the nature, category, and age of the business.
Ho4: There is no significant association between retailers‟ business philosophy in relation to customers and the category of the business.
Ho5: There is no significant association between retailers‟ business philosophy in

relation to customers and the age of the business.

RESEARCH METHODOLOGY:

The present study is based on both primary and secondary data. The study entailed a good deal of preparation and planning in order to secure the necessary update data and information.

Collection of Primary Data:

The Primary data for the study are collected by using pre-tested (pilot study) two elaborate questionnaires one for customers and the other for retailers. The tools of the field of exploration of the modern retailers and customers questionnaires were finalized the experiences of the pilot study, as many as 40 customers and 20 retailers of the selected sample were covered during the pilot survey.

Collection of Secondary Data:

The process of gathering reliable and meaningful information is the cardinal aspect of the inquiry and forms a central link in the operational plan for the entire research design. Commercial tax office Kurnool is of a great source to obtain a list of shops and establishments of Kurnool. The principal sources of information for the present study are various published books, journals, bulletins, and the internet.

Statistical Tools Used:

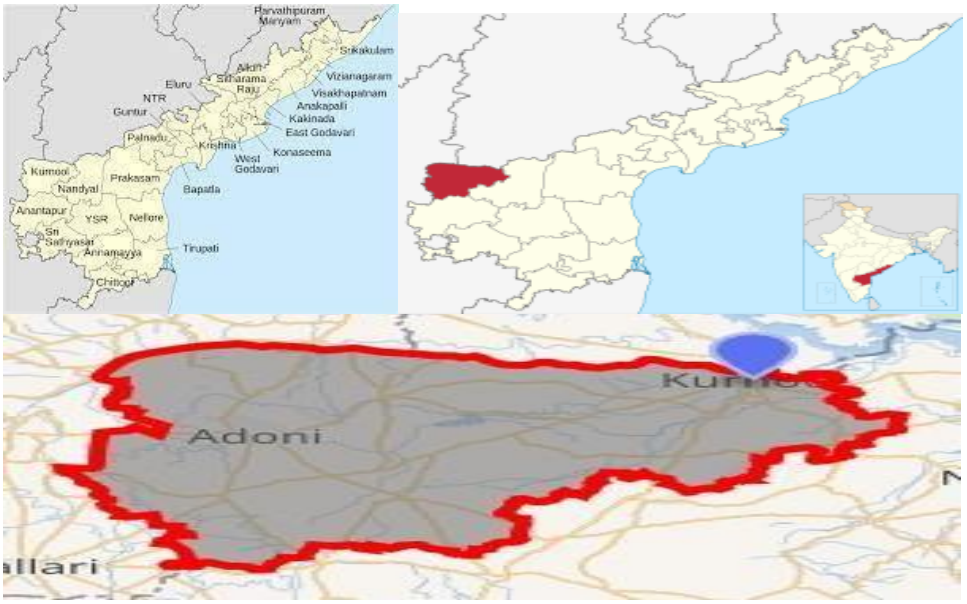
The primary data have been interpreted simple statistical tools such as Simple percentages, the Ranking method, Chi-square test of significance administered to know the relationship between different variables in the questionnaire with different categories of shops-test and ANOVA test is used to average significance difference in the opinion of the respondents belongs to the four categories.

Limitations of the Study:

The study suffers from some limitations as detailed below: The study has not covered the entire population of the retail units due to limited resources such as technical, personal, and financial at the disposal of the researcher. Systematic recording and accurate data could not be obtained from the respondents on certain aspects, such as profit margin, expenses, etc. However, provisions were made in the questionnaire to cross-verify these items in more than one place in different forms. The study could not cover issues such as marketing research, market segmentation, market positioning, etc., in detail due to some practical problems. Secondary data on retail business in India as well as in Andhra Pradesh are not available. Format changes in the economic census could contribute little to analyzing developments during the last decade.

PROFILE OF SELECTED SAMPLE AREA

The profile of the selected sample area is Kurnool district of Andhra Pradesh[10].



This district derives its name from its chief town Kurnool the capital of former Nawabs, Capital of Andhra Pradesh State from 1st October 1953 to 1st November, 1956 and at present the headquarters of the district. The name Kurnool is said to have been derived form "Kandanavolu".
The district ranks 10 in population with 40,53,463 People accounting for 4.63 % of the total population of the state as per the 2011 Population Census, while in area it occupies the 3rd place with 17658 Sq. Kms., which accounts for 6.41 % of the total area of the state.

At present Kurnool District comprises 3 Revenue Divisions, 54 Revenue Mandals 53 Mandal Parishads, One Municipal Corporation, 4 Municipalities, 4 Nagara Panchayats, 889 Gram Panchayats, 921 Revenue Villages.

PHYSIOGRAPHY:

Nallamalas and Erramalas are the two important mountain ranges in the district running in parallel from North to South. The Erramalas divide the district into two well-defined tracts from East to West. Between Erramalas and Nallamalas lies the Eastern part of the district comprises Nandikotkur, Pagidyala, Kothapalli, Pamulapadu, Atmakur, Velgodu, J.Bunglow, Midthur, BandiAtmakur, Gadivemula, Nandyal, Mahanandi, Panyam, Banaganapalli, Owk, Koilakuntla, Rudravaram and Chagalamarri Mandals.

The western tract comprises Pathikonda, Tuggali, Maddikera, Devanakonda, Gonegandla, Dhone, Peapully, Veldurthy, Bethamcherla, Krishnagiri, Kurnool,Orvakal, Kallur, Kodumur, C.Belagal, Gudur, Yemmiganur, Nandavaram, Mantralayam, Adoni, Peddakadubur, Kosigi, Kowthalam, Alur, Aspari, Holagunda, Halaharvi, Chippagiri Mandals.

DATA ANALYSIS AND INTERPRETATION:

MODERN RETAILERS' SOCIO-ECONOMIC PROFILE AND THEIR MARKETING STRATEGIES

Socio-economic features of the business people have an influence on their business performance, especially in relation to marketing, which are the determining factors for the business development and prosperity. However, all the people may not be engaged in one and the same business and may not adopt the same marketing strategies. Their performance in the development of their business, marketing strategies, and skills surely depends on the demographical features, such as age, sex, education, community economic ability, and so on. Hence in this view, an attempt is made to study the demographical profile of the respondent traditional retailers and their retail establishments.

Table.1 Age of the respondents

S.No	Age(In Years)	No.of Respondents	%
1	Below 20	13	6.5
2	21-30	40	20.0
3	31-40	58	29.0
4	41-50	50	25.0
5	Above 50	39	19.5
	Total	200	100.0

Regarding the respective age groups of the sample respondents is presented in the table.1. Age being one of the social factor, predominantly determines, performance and prosperity of the retailers with regard to their performance. The data presented in the table shows that a major group of retailers (29 per cent) are in the age group of 31-40 years, followed by the retailers in the age group of 41-50 years(25 per cent), 20 per cent of the respondents in the age group of 21-30 years, while 19.5 per cent of the respondents are in the age group of above 50 years. The very young respondents in the age group of below 20 years constitute (6.5 per cent).
The above analyzed table vividly explains that most of the retailers are aged and experienced in the age group of 31-50 years since they posses stable faculties and follow strategies that concentrate on the development of their respective business. The age of above 50 years is a retirement age, quite obviously they constitute less percentage and it can be observed that the very young business persons in the age group of below 20 years, out of their unstable concentration have not opted retail business. However, the table concludes that respondents of all ages have their retail business.

Table.2 Gender of the respondents

S. No.	Gender	No.of Respondents	%
1	Male	172	86.0
2	Female	28	14.0
	Total	200	100.0

Gender does have its influence in terms of progressive improvement of any kind of business. However present-day witnesses an inviting change among women to establish various kinds of wholesale and retail businesses and marketing. Keeping this broad view a few available number of women have been selected as sample respondents, who constitute 14 per cent of the total, while the remaining 86 per cent of respondents are men.

It is a common belief that women being tender cannot perform business activities personally since they create stress and strain. Besides, woman a traditionally bound and is compelled to confine themselves to domestic work. But, as time changed and there was scientific and technological advancement, the thinking faculties of the common people changed.

Table.3 Marital status of the respondents

S. No.	Marital status	No.of Respondents	%
1	Single	59	29.5
2	Married	141	70.5
	Total	200	100.0

Marital status of the persons shows person's stability with regard to his or her life settlement. It is the prime duty of the person to feed his family. This type of responsibility and duty may not be conferred upon the unmarried persons. So, generally a married person does his business/job with a sense of sincerity and responsibility perfectly concentrating on the development of the business. This may not be found with unmarried persons. So, it can be said that marital status of persons determines the prospects of a business person.

The marital statuses of the respondents are displayed in the table 4.3. The data explains that, majority of the respondents constituting 70.5 per cent (141) are married and the remaining 29.5 per cent of the respondents are (59) single.

Table.4 Social status of the respondents

S.No.	Social	No. of Respondents	%
1	SC	29	14.5
2	ST	4	2.0
3	BC	78	39.0
4	FC	89	44.5
	Total	200	100.0

Until the recent past, business was predominantly engaged by certain castes of people in the society generally who belong to forward communities. But as the changing time and spontaneous educational advancement, there has been a change in this situation and now many castes other than FCs have engaged in the business activities as they like. With this view, distribution of the respondents according to the caste is resented in table.4.

However from majority of the Forward Caste respondents constituting 44.5 per cent (89), while BCs follow them with 39 per cent (78). As usual, perhaps due to their humble economic status SCs constitute 14.5 per cent (29) and ST"s represent negligible percentage of 2 per cent (4).

Table. 5 Religion of the respondents

S.No	Religion	No.of. Respondents	%
1	Hindu	147	73.5
2	Muslim	31	15.5
3	Christian	8	4.0
4	Sikh	14	7.0

Religion is also a social factor which determines the development and prospects of a business and which as well scales the performance of the retailer in his business. So, in this regard the respondents are enquired of their religion and the information is presented in table.5.The data indicates that most of the respondents constituting 73.5 per cent (147) are Hindus with wide difference Muslims occupy second position with 15.5 per cent (31). Sikhs, who are considered immigrants in Andhra Pradesh constitute 7 per cent (14), while the respondents who follow Christian faith do have their representation though least with just 4 per cent (8).

CUSTOMERS' PERCEPTION TOWARDS MODERN RETAILERS

A sound understanding of customers is essential to the success of any retailing marketing program. Instead of trying to market what is the easiest form to make, it is better to find out more about what the customer is willing to buy. In other words, we must apply our creativity more intelligently to customers to understand their wants and needs, rather than to products. Satisfying the customers' needs and wants,

in fact, provides a rationale for the existence of any business undertaking

To assess the customers' satisfaction towards their respective shop keepers with regard to services and facilities offered to the customers, customers' attitudes towards the retailers and retailing organizations as well as their perceptions onthe services and facilities offered to them, a survey has been conducted. In this respect, it is to be noted that the attitude of retailing organizations and the services they offer depend on the socio-economic conditions of the customers further, the retailing organizations to conduct surveys periodically to analyze the attitude of the customers regarding the services and facilities offered by them so that they could offer better satisfying services to the customers and attain the market targets. As already mentioned, the services being offered by the retailing organizations to the customers depend on the socio-economic conditions, it is thought that it would be helpful and useful to analyze the socio- economic conditions of the customers in this regard.

Hence to obtain a comprehensive analysis 400 customers are selected as sample respondents. These 400 sample respondent customers belong to various age groups, income groups, categories and which are analyzed in detail in the fourth coming pages.

Table.6 Age of the respondents

S.No.	Age	No.of Respondents	%
1	Below 20 years	36	9.0
2	20-30	57	14.2
3	30-40	157	39.2
4	40-50	89	22.3
5	Above 50	61	15.3
	Total	400	100.0

Age is one of the factors which determine the status of a person in the society. As the data presented in table.6, indicates that a major chunk of respondent customers who constitute
39.2 per cent.
(157) are in the age group of 30-40 years and the respondents in the age group of 40-50 years constituting 22.3 per cent (89) followed in second position. Considerable percentages of the respondents are in the age groups of above 50 years are 15.3 per cent (61) and 20-30 years 14.2 per cent (57). There are 9 per cent (36) of respondents are in the age group of below 20 years.

It is clearly revealed that most of the respondent customers are in the age group of 30-50 years.

Table.7 Gender of the respondents

S. No.	Gender	No.of Respondents	%
1	Male	329	82.2
2	Female	71	17.8
	Total	400	100.0

Gender of the customer is another factor to assess the retailers' attitude in offering services. As the Indian society is traditionally bound, it is obviously observed among many families, that only male go for shopping. Butas the traditions and cultural norm have been changing there is a remarkable and radical change in the attitude of Indian people regarding traditions. It is observed from the above study highest percentage (82.2 per cent) of the respondents is male, whereas 17.8 per cent of the respondents are female.

Table.8 Educational qualification of the respondents

S.No.	Education	No.of Respon -dents	%
1	Illiterate	9	2.3
2	primary education	62	15.5
3	Secondary education	118	29.4
4	Graduation	198	49.5
5	post-graduation	13	3.3
	Total	400	100.0

Education is another important social factor which determines the social status of the people. It also determines the attitudes of the people. In this point of view the educational status of the respondent customers is analyzed in table.8. It is revealed that majority of the respondents, who constitute 49.5 per cent (198) are graduates, while 29.4 per cent (118) of them are secondary level educations. There is a wide gap between the respondents possessing secondary level of education that constitutes just 15.5 per cent (62). Though there are post graduates they are negligible percentage of 3.3 (13) only and illiterate respondents are 2.3 per cent.

Table.9 Marital status of the respondents

S. No.	Marital status	No. Respondents	%
1	Single	62	15.5
2	Married	338	84.5
	Total	400	100.0

Marital status does also determine the social status. Generally a married person is recognized as an elderly gentleman, since he has to fulfill certain responsibilities. Hence, the marital status of the respondents is taken into consideration and the data regarding the same in presented in table.9. The data reveals that married respondents constituting 84.5 per cent (338) and the single respondents constitute just 15.5 per cent.

FINDINGS AND SUGGESTIONS:

Findings (modern retailers):

Most of the retailers are in the age group of 31-50 years since they possess stable faculties and follows strategies that concentrate on the development of their respective business. The age of above 50 years, quite obviously they constitute less percentage and it can be observed that the very young business persons in the age group of below 20 years, out of their unstable concentration have not opted retail business.

Gender has its influence in terms of progressive Improvement of any kind of business. However present days witnesses an inviting change among women to establish various kinds of whole-sale and retail businesses and marketing. Keeping this broad view a few available number of women have been selected as sample respondents, who constitute 14 per cent of the total sample, while the remaining 86 per cent of respondents are men.

Majority of the respondents constituting 70.5 per cent (141) are married and the remaining 29.5 per cent of the respondents are (59) single. Majority of the Forward Caste respondents constituting 44.5 per cent (89), while BCs follow them with 39 per cent (78), perhaps due to their humble economic status SCs constitute 14.5 per cent (29) and ST‟s represent negligible percentage of 2 per cent (4).The data indicates that most of the respondents constituting 73.5 per cent (147) are Hindus with wide difference Muslims occupied second position with 15.5 per cent (31). Sikhs, who are considered immigrants in Andhra Pradesh, constitute 7 percent (14), while the respondents who follow Christian faith do have least representation with just 4 per cent (8).It reveals that majority of the respondents, who constitute 56.5 per cent (113) have upper primary education and with a wide variation respondents having S.S.C qualification constitute 20 per cent (40) is in second position. Respondents with graduation and above level of education constitute 10 per cent (20), followed by 8.5 per cent (17) of respondents with intermediate qualification and illiterates do have their share with 5 per cent (10). The data indicates that most of the respondents do not have considerable standards of education, though very few possess higher educational qualifications. It is noted that out of 200 samples respondents, 79.5 per centare the natives and the remaining 20.5 per cent (41) of the respondents are migrants.

Suggestions:

Knowing your business means knowing your customers, firsts establishing customer relationships.

While some may view the successful delivery of product to market as relatively simple process from the vendor to the retailer, it is certainly much broader than that. Ultimate and continuous success must encompass the full supply chain from mutually beneficial supplier partnerships, efficient and effective distribution of materials, quality of the product delivered, proper merchandising, and last but certainly not least, acquisition by the consumer. Delivery or products to market does not stop with merchandising on the retailer‟ shelf rather the definition of the market must include the final and most important link in the art of retail, if it had to be defined by one key aspect, is taking care of the customer. You can carry the right product mix, provide the best merchandising, and operate at the highest possible margins, but if customers don’t feel compelled to shop at your store and buy the products you carry, you are not going to be successful. As a specialty retailer with a much-defined customer base, as

opposed to a mass merchant with its broad base of customers, this becomes evenmore important.

Separating yourself from your competition:

Retail is very relationship driven and because our industry, at least for hard goods, is also largely a commodity-driven industry, Retailer have to focus on how Retailer differentiate ourselves from our competitors if retailer is essentially selling many of the same items at the same prices. A big part of that process, as previously referenced, is establishing relationships with our customers. Know them on a first and last name basis. Know what their last significant purchase was. Know if they have been pleased with that purchase. Second, Retailer has to make sure retailer is knowledgeable about the products that Retailer carries.

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